

December 9, 2004

MAINE PUBLIC SERVICE COMPANY
Request to Construct Transmission Line
of 100 or More Kilovolts from Limestone, Maine
to Canadian Border Near Hamlin, Maine

PROCEDURAL ORDER

On November 24, 2004, Loring Bio Energy, LLC (LBE) filed a motion for Commission Order Directing Execution of Power Purchase Agreement. A conference of counsel to address the processing of the motion was held on December 7, 2004. As noted during the conference, the Hearing Examiner requests that the parties address the following issues in comments to the Commission concerning the processing of the motion:

1. What is the relationship between the LBE proposal and MPS's proposal in this case?
2. Does an emergency situation currently exist in providing customers in the Northern Maine market safe, adequate and reliable service that would justify an expedited schedule as contemplated by LBE?
3. If there is an emergency situation, when did it come into existence?
4. What is the relationship between the LBE proposal and other pending matters before the Commission (i.e. the 2nd New Brunswick Tie-Line case, Docket No. 2004-771 and MPS's proposed 35 MW reservation on the tie-line, Docket No. 2004-775)?
5. Are there other possible solutions to address the Northern Maine reliability issues which have not yet been proposed but which the parties believe the Commission should be aware in deciding how to proceed on LBE's proposal?
6.
 - a. What process do you recommend that the Commission adopt to examine the various options available to address Northern Maine system reliability issues?
 - b. Would it be appropriate for Commission to first consider the general issues of whether on-system generation is required for reliability purposes and if such generation is found to be required, then decide how to determine the best on-system generation options?

Comments addressing these issues should be filed with the Commission no later than **December 28, 2004**.

Dated at Augusta, Maine, this 9th day of December, 2004.

BY ORDER OF THE HEARING EXAMINER

Charles Cohen